VZCZCXRO1100 OO RUEHCI DE RUEHKT #0203/01 0290903 ZNY CCCCC ZZH O 290903Z JAN 07 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 4670 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5315 RUEHLM/AMEMBASSY COLOMBO PRIORITY 5588 RUEHKA/AMEMBASSY DHAKA PRIORITY 0770 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3598 RUEHLO/AMEMBASSY LONDON PRIORITY 4944 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0896 RUEHCI/AMCONSUL KOLKATA PRIORITY 3067 RUEHGV/USMISSION GENEVA PRIORITY 1483 RUEKJCS/SECDEF WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 2377 RHEFDIA/DIA WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000203

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TAGS: PGOV PTER NP

SUBJECT: NEPAL: NC LEADERS SAY SITUATION BAD IN COUNTRYSIDE

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

### Summary

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11. (C) On January 25, five Parliamentarians and district leaders of the Nepali Congress Party (NC) and one from the Nepali Congress-Democratic (NC-D) told the Ambassador that the security situation in the countryside in their districts remained poor. They wanted to see the current Home Minister replaced, and blamed the lack of law enforcement for the problems facing their districts. They expressed appreciation for the Ambassador's frequent statements calling for an end to Maoist violence and intimidation. The NC leaders all worried about prospects for businesses in Nepal due to Maoist pressure. They stressed that free and fair elections were unlikely unless the Maoists changed their ways.

## Situation Bad in Countryside

 $\P2$ . (C) In a January 25 meeting, five NC leaders and one NC-D leader (Keshar Man Rokka, MP from Rukum District; Janak Raj Giri, MP from Bajura District; Lok Mani Giri, former MP from Rolpa District; Dhurba Puri, District Development Committee Chairman from Salyan District; Buddhi Ram Bhandari, NC-D District President from Dang District; and Dipak Giri, Youth Leader from Dang District) told the Ambassador that the security situation in the countryside in their districts was still poor due to Maoist actions. All of them had been displaced from their homes in the conflict, calling themselves "refugees of the Maoists." They said that the Maoists were still intimidating people, and were not allowing the political parties to freely conduct their activities in the districts. The leaders believed the Maoists planned to replace the current multi-party set-up with a one-party state. They said that the Maoists had seized the property of all district- and local-level party leaders (and anyone who disagreed with the Maoists) and were offering to redistribute it to the population in return for their vote for the Maoists in the upcoming Constituent Assembly elections. When the Ambassador asked whether any of the political leaders were able to go back to their villages to counter these arguments, the leaders responded with a collective no, stressing that the Maoist militia still had weapons in the countryside.

¶3. (C) The leaders stressed that restoration of law and order in the countryside was vital in order for elections to the Constituent Assembly to be free and fair. They lamented that Home Minister Krishna Prasad Sitaula (from the NC) was "like a Maoist himself," and they did not trust him to do the right thing vis-a-vis enforcing law and order against the Maoists in the countryside. One leader said it was impossible to trust the Maoists when they were still doing all the same things in the villages as before, except that now the police were helpless to do anything about it.

## Ambassador's Statements Helpful

14. (C) The leaders thanked the Ambassador for his continued statements against Maoist behavior and his calls to hold the Maoists accountable for their actions. They said that members of the NC, including its leader Prime Minister Girija Prasad Koirala, were not able to openly say many of the things that the Ambassador regularly stated publicly, although they agreed with them. They specifically agreed with the Ambassador's statements that the Maoists were bringing low quality weapons up from the Indian state of Bihar to fill up the containers in the cantonments in order to retain their good weapons.

Businesses Face Pressure From Maoists

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15. (C) The leaders worried that businesses across the country and in the capital faced continued pressure from the Maoists. They said that the Maoists were still extorting businesses for large amounts of money, supposedly to provide support for their combatants in the cantonments.

# No Respect For New Maoist MPs

16. (C) The leaders stated that they did not have much respect for most of the Maoist MPs in the Interim Parliament. They opined that all but twelve of them were "undereducated and raw." They said that the Maoists had filled their positions with "puppet" MPs, whom they could force to vote along party lines. They worried that Maoist MP Lokendra Bista, who had personally killed an NC MP in Rukum district during the decade-long conflict and was personally responsible for the deaths of "hundreds more," was now a member of the Interim Parliament.

## Comment

17. (C) These NC leaders represent remote districts that were considered Maoist strongholds during the decade-long conflict. While unsurprising, the continued high level of Maoist threats and extortion in these areas will have to be countered by more than just arms management and cantonment of combatants to ensure free and fair elections.

MORIARTY